# AMENDED IN ASSEMBLY JUNE 1, 2010 AMENDED IN ASSEMBLY APRIL 29, 2010 AMENDED IN ASSEMBLY APRIL 7, 2010

CALIFORNIA LEGISLATURE—2009-10 REGULAR SESSION

## ASSEMBLY BILL

No. 1975

## **Introduced by Assembly Member Fong**

February 17, 2010

An act to add Chapter 8.5 (commencing with Section 537) to Division 1 of the Water Code, relating to water.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1975, as amended, Fong. Water charges and meters: multiunit structures.

The Water Measurement Law requires every water purveyor to require, as a condition of new water service on and after January 1, 1992, the installation of a water meter to measure water service. That law also requires urban water suppliers to install water meters on specified service connections, and to charge water users based on the actual volume of deliveries as measured by those water meters in accordance with a certain timetable.

This bill, with-a certain-exception exceptions, would require every water purveyor that provides water service to a multiunit residential structure or a mixed-use residential and commercial structure, for which the first occupancy permit for a newly constructed building is issued on or after-January 1, 2012 July 1, 2013, to require the installation of meters or submeters on each individual dwelling unit as a condition of new water service to that property. The bill would require the owner of the structure, or his or her agent, to charge occupants for water and

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sewer service based on the actual volume of water delivered as measured by the water meter or submeter, subject to requirements relating to approval, installation, and operation of the water meter or submeter. The bill would authorize the owner of the property, or his or her agent, to charge occupants a specified fee for the actual costs of reading the meter or submeter and providing billing services. The bill would require the owner of the structure to ensure that a water submeter installed for these purposes complies with laws and regulations governing installation, certification, maintenance, billing, and testing of water submeters. The bill would prohibit a water purveyor from imposing specified fees related to the installation of water meters and submeters.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 8.5 (commencing with Section 537) is added to Division 1 of the Water Code, to read:

#### Chapter 8.5. Multiunit Structures

- 537. (a) Each-(1) Except as provided in paragraph (2), each water purveyor that sells, leases, rents, furnishes, or delivers water service to a multiunit residential structure or a mixed-use residential and commercial structure for which the first occupancy permit for a newly constructed building is issued on or after January 1, 2012, July 1, 2013, shall require the installation of a water meter or submeter to measure water supplied to each individual dwelling unit as a condition of new water service to that property.
- (2) A water purveyor shall not require the installation of a water meter or submeter pursuant to paragraph (1), unless a sufficient number of qualifying types of water meters or submeters have been approved pursuant to Section 12500.5 of the Business and Professions Code.
- (b) The owner, or his or her agent, (1) Except as provided in paragraph (2), the owner of a structure described in subdivision (a), or his or her agent, shall charge occupants for water and sewer service. This charge shall be based on the actual volume of water delivered to the dwelling unit as measured by the meter or submeter installed pursuant to subdivision (a).

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(2) The owner, or his or her agent, may charge a monthly administrative fee to recover the actual cost of reading meters or submeters and providing billing services for the purposes of this section. The administrative fee shall not exceed two dollars (\$2) per meter or submeter per month.

- (3) The owner, or his or her agent, shall not charge an occupant for water or sewer service pursuant to this subdivision, unless the meter or submeter used to measure the water delivered to the dwelling unit is of a type approved pursuant to Section 12500.5 of the Business and Professions Code and is installed and operated in compliance with regulations established pursuant to Section 12107 of the Business and Professions Code.
- (c) (1) An owner of a structure described in subdivision (a) shall ensure that each submeter installed pursuant to subdivision (a) complies with all laws and regulations governing installation, certification, maintenance, billing, and testing of water submeters.
- (2) This section shall not be construed to require a water purveyor to assume responsibility for ensuring compliance with any law or regulation governing installation, certification, maintenance, and testing of water submeters and associated onsite plumbing.
- (d) A water purveyor shall not charge an owner of a structure described in subdivision (a), or his or her agent, a fee for the installation of a water meter or submeter that is installed by the owner or his or her agent.

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- (e) This section does not apply to a structure described in subdivision (a) that is greater than four stories in height above grade and for which the owner, or his or her agent, demonstrates to the satisfaction of the water purveyor that the structure's plumbing configuration incorporates multiple points of entry in each dwelling unit and renders the installation of submeters infeasible.
- 538. It is the intent of the Legislature that this chapter should not be construed to impose costs on any local government agency, except to the extent that the local government agency is a water purveyor subject to subdivision (a) of Section 537.